

**STATE OF SOUTH CAROLINA
BEFORE THE PUBLIC SERVICE COMMISSION
DOCKET NO. 2021-88-E**

IN RE:)
)
Dominion Energy South Carolina, Inc.'s)
2021 Avoided Cost Proceeding Pursuant to)
S.C. Code Ann. Section 58-41-20(A))
_____)

**SOUTH CAROLINA DEPARTMENT
OF CONSUMER AFFAIRS' FIRST SET
OF INTERROGATORIES AND
REQUEST FOR PRODUCTION TO
LONDON ECONOMICS
INTERNATIONAL, LLC**

Pursuant to S.C. Code Ann. Regs. 103-833, the South Carolina Department of Consumer Affairs (the "Department"), by and through its undersigned counsel, hereby submits this First Set of Interrogatories and Request for Production to London Economics International, LLC. ("LEI" or "Company"). Pursuant to South Carolina Rule of Civil Procedure 26(e) and Commission regulations, each request is continuing until the time of the hearing such that the Company must promptly transmit to the Department the requested information as it becomes available.

INSTRUCTIONS

1. Responses to these requests should be provided to the undersigned, via email, within twenty (20) days of the date of service.
2. All information should be provided to the undersigned in the format requested and under oath.
3. All responses to the below requests should be labeled using the same numbers as used herein.
4. If the requested information is found in other places or in other exhibits, reference shall not be made to those, but instead, the information should be reproduced and placed in the responses to this request in the appropriate sequence.
5. All documents shall be provided in their native format, e.g., in Word, Excel, or PowerPoint format with all functions, data, and formulas intact.
6. Each request should be reproduced at the beginning of the response thereto.
7. If the response to any Request for Production of Documents is that the information requested is not currently available, please state when the information requested will become available.
8. This request shall be deemed continuing so as to require LEI to supplement or amend its responses as any additional information becomes available up to and through the date of hearing.

9. For any document withheld under a claim of privilege, submit a sworn or certified statement from your counsel or one of your employees in which you identify the document by author, addressee, date, number of pages, and subject matter; specify the nature and basis of the claimed privilege and the paragraph of this demand for documents to which the document is responsive; and identify each person to whom the document or its contents, or any part thereof, has been disclosed.

10. If a refusal to respond to a Request for Production of Documents is based on the grounds that same would be unduly burdensome, identify the number and nature of documents needed to be searched, the location of the documents, and the number of hours and costs required to conduct the search.

11. Answer each request on the basis of the entire knowledge of LEI, including information in the possession of LEI or its consultants, representatives, agents, experts, operating divisions, business divisions, assigns, partners, and attorneys, if any.

12. If any request cannot be answered in full, respond to the extent possible and specify the reasons for LEI's inability to respond.

DEFINITIONS

As used herein, the following terms shall have the meaning and be interpreted as set forth below:

1. "You," "your," and "Company" mean LEI or any of its affiliates, officers, directors, employees, attorneys, or agents.

2. "Application" is defined as the application filed by Dominion Energy South Carolina, Inc. on April 22, 2021 or as otherwise revised.

3. "Company" and "LEI" are defined as London Economics International, LLC, its parent(s), subsidiaries, affiliates, predecessors, successors, officers, directors, agents, employees, and other persons acting in its behalf.

4. "DESC" is defined as Dominion Energy South Carolina, Inc., its parent(s), subsidiaries, affiliates, predecessors, successors, officers, directors, agents, employees, and other persons acting in its behalf.

5. "Workpapers" and "documents" are defined in the broadest terms and should not be construed as limited to the listed examples, or limited only to items that are currently within your control or custody; include each and every original or copy of words or information generated by printing, typing, longhand, electronic recording, or other process, regardless of the form thereof, and include any kind of writing. Such documents include, but are not limited to, published materials, reports, correspondence, emails, records, memoranda, notices, notes, marginal notations, messages, teletype printouts, statements, books, studies, minutes, diagrams, drawings, maps, surveys, plans, charts, graphs, data, computer files, billings, evaluations, photographs, audio tapes, and videotapes. The terms include drafts, revisions or amendments of any of the above, and generally, any kind of tangible, permanent records that are now, or formerly were, in your

possession, custody or control, or that were known by you to exist, and that can be located or discovered by reasonably diligent efforts.

6. "Communication(s)" when used in these Requests shall include the transmittal of information by any means, written, oral, electronic or otherwise.

7. When used in referenced to a document, "identify," identity," and "identification" mean to state the type of document (e.g., computer-stored information, microfilm, letter, memorandum, policy circular, minute book, telegram, chart, etc.), or some other means of identifying it, and its present location and custodian. If any such document was, but no longer is, in your possession or subject to your control, state what disposition was made of the document, and if the document was destroyed or disposed of pursuant to a retention policy, please state the retention policy.

DOCUMENT AND INFORMATION REQUESTS

1-1. For the purposes of this request, please refer to page 27 of the LEI Report, where LEI notes that it generally agrees with issues raised by intervenors regarding calculated avoided capacity costs, and that the combined impact of these changes would raise DESC's proposed avoided capacity rates from \$58.81/kW-year to \$81.99/kW-year.

- a. Is it LEI's understanding that the methodology utilized by DESC generally conforms to a Cost of New Entry or "CONE" analysis utilized in organized wholesale electric markets to judge maximum offers and clearing prices in capacity markets?
- b. Is it LEI's understanding that most organized wholesale electric capacity markets have traded at values below prices indicated by CONE analyses?
- c. To the extent LEI's response to (b) above is in the affirmative, please provide a detailed narrative discussing why prices for electric capacity in organized wholesale markets have traded at values below prices indicated by CONE analyses.
- d. Did LEI attempt to determine a market-derived avoided capacity value for energy traded on DESC's system?

1-2. For the purposes of this request, please refer to page 35 of the LEI Report, where LEI discusses its opinion on the application of a Performance Adjustment Factor ("PAF") to DESC's avoided capacity costs.

- a. Please provide all analyses LEI relied upon to determine that the availability of QF generation is similar to availability factors of DESC's own generation fleet.
- b. Please provide all studies LEI is aware of which investigate the availability of QF generation systems.
- c. Please confirm that the proposed 1.05 PAF is based solely on Duke Energy's 2019 avoided cost proceeding.

1-3. Avoided Energy pricing period.

- a. Did LEI investigate the appropriate on-peak and off-peak hours to be used in PR rates?
- b. Does LEI agree with the proposed change to DESC's non-solar PR-1 rates reducing the 12- hour summer peak period to 9 hours (i.e., 2pm – 11 p.m.)?
- c. Does LEI agree that this same summer on-peak and off-peak period should be used for solar PR-1 customers?
- d. Has LEI calculated the potential financial impact of adopting DESC's non-solar PR-1 rate, as currently designed, for solar QF customers?
- e. Has LEI calculated the potential financial impact of adopting DESC's non-solar PR-1 rate, with Staff's proposed modification, for solar QF customers?
- f. Does LEI agree that reduced on-peak periods increase the difference between on-peak and off-peak rates?

Respectfully submitted this 27th day of September 2021,

S.C. DEPARTMENT OF CONSUMER AFFAIRS



Roger Hall, Esq. (Assistant Consumer Advocate)
 Carri Grube Lybarker, Esq. (Consumer Advocate)
 Connor J. Parker, Esq. (Assistant Consumer Advocate)
 P.O. Box 5757
 Columbia, South Carolina 29250-5757
 (803) 734-4200

CERTIFICATE OF SERVICE

I, Roger Hall, hereby certify that the foregoing document was served by electronic mail on all parties at the addresses listed in the official service list for Docket 2021-88-E on September 27, 2021



Roger Hall, Esq.